## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45 FCC 99-306

## MOTION TO WITHDRAW PETITION FOR RECONSIDERATION

The National Exchange Carrier Association, Inc. (NECA) hereby requests permission to withdraw its Petition for Reconsideration of the Commission's *Methodology Order*<sup>1</sup> in the above-captioned proceeding, filed January 3, 1999. NECA believes that the issues raised therein were resolved by subsequent Commission action in this proceeding.

The NECA Petition sought reconsideration of the Commission's non-rural support mechanism as it relates to the treatment of Long Term Support (LTS) in hold-harmless support calculations. The Commission's *Methodology Order* appeared to include Long Term Support (LTS) payments currently available under section 54.303 of the Commission's rules in interim hold-harmless amounts.<sup>2</sup> The *Methodology Order* further appeared to contemplate that any LTS payments included in hold-harmless amounts should

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<sup>&</sup>lt;sup>1</sup> Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Ninth Report & Order and Eighteenth Order on Reconsideration*, 14 FCC Rcd 20432 (1999) (*Methodology Order*)

 $<sup>^{2}</sup>$  *Id.* at ¶78

be phased out in the same manner as other hold-harmless support flows.<sup>3</sup> NECA urged the Commission to reconsider its decision to include LTS in hold-harmless support calculations, since LTS is an interstate support mechanism, not included in, or replaced by, the new forward-looking economic cost mechanism implemented in this proceeding.

NECA also argued that LTS should not be subject to phase-out at the end of the interim period, but should instead be continued for all NECA pool participants.

The Commission did not specifically respond to the NECA Petition. However, when the Commission issued a subsequent order adopting measures recommended by the Federal-State Joint Board on Universal Service to phase down interim hold-harmless support, those measures explicitly excluded LTS. The Commission stated its intent to preserve LTS for non-rural carriers until such time as the Commission considers reform of the LTS program. The Commission found that the examination of such matters should take place in the context of related proceedings to reform the high-cost support mechanism for rural carriers and interstate access charge system for rate-of-return carriers.

In consideration of the Commission's actions in the *Phase Down Order*, NECA hereby requests permission to withdraw its Petition for Reconsideration of the

 $<sup>^{3}</sup>$  *Id.* at ¶95.

<sup>&</sup>lt;sup>4</sup> Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Thirteenth Report & Order and Further Notice of Proposed Rulemaking*, 65 Fed. Reg. 78990 (2000) (*Phase Down Order*).

<sup>&</sup>lt;sup>5</sup> *Id.* at ¶1.

<sup>&</sup>lt;sup>6</sup> *Id.* at ¶9.

<sup>&</sup>lt;sup>7</sup> *Id.* 

Commission's 1999 *Methodology Order*. This action is without prejudice to NECA's right to seek reconsideration of Commission actions with respect to future universal service and access reforms mandated by the Commission.

Respectfully submitted,

NATIONAL EXCHANGE CARRIER ASSOCIATION, Inc.

Martha West Senior Regulatory Manager

September 14, 2001

By: /s/ Richard A. Askoff
Richard A. Askoff
Its Attorney

80 South Jefferson Road Whippany, NJ 07981 (973) 884-8000

## **Certificate of Service**

I hereby certify that a copy of the Motion to Withdraw Petition for Reconsideration was served this 14<sup>th</sup> day of September, by electronic delivery or first class mail, to the persons listed below.

By: <u>/s/ Shawn O'Brien</u> Shawn O'Brien

Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 12<sup>th</sup> Street, S.W.
TW-A325
Washington, D.C. 20554
(filed through ECFS)

Qualex International CY-B402 445 12<sup>th</sup> Street, SW Washington, D.C. 20554

Katie King Common Carrier Bureau Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, D.C. 20554